

Connecticut Housing Finance Authority

2018 Summary Report

PREPARED FOR GOVERNOR NED LAMONT &

THE CONNECTICUT GENERAL ASSEMBLY

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CONNECTICUT
HOUSING FINANCE
AUTHORITY

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MISSION

To alleviate the shortage of housing for low- and moderate-income families and persons in this state and, when appropriate, to promote or maintain the economic development of this state through employer-assisted housing efforts.

CHFA is a self-funded, quasi-public agency that fulfills its mission with two programs:

1. Single family mortgages with below-market interest rate financing to allow low-to-moderate income borrowers to purchase their first homes.
2. Financing to developers of affordable multifamily rental housing to increase the availability of affordable housing.

In the past 50 years, the path to greater affordable housing has been forged with the use of critical federal funding tools. These tools include Federal Tax-Exempt Housing Bonds, also known as Private Activity Bonds (PABs), Taxable Bonds and Low Income Housing Tax Credits (LIHTCs).

Since 1969, CHFA has provided mortgages to more than 140,000 first-time homebuyers and has financed the development of more than 53,000 affordable rental-housing units.

2018 highlights, setting the stage for 2019

CHFA is celebrating its 50th Anniversary in 2019. Over the years, CHFA has grown from a lender with \$5 million for first-time homebuyer mortgages to a self-sustaining financier that issues \$1 billion in bonds annually. That financial strength benefits the State of Connecticut by providing financing for much-needed safe, decent affordable housing for state residents.

CHFA continues to work closely with the Department of Housing (DOH) and other appropriate state agencies to support the housing needs of state residents. There is no need for legislative recommendations at this time. Below are highlights from 2018.

1. Successful Bond Issues

CHFA's source of funding, Federal Tax-Exempt Housing Bonds and Taxable Bonds are an important tool for housing finance in Connecticut. In addition to funding single-family mortgages, bond proceeds are used to finance affordable multifamily rental housing developments, which in turn generate jobs and tax revenue and economic activity in the state. The fact that many orders for the bonds came from local investors reflects the confidence the private sector places on CHFA and its affordable housing mission.

CHFA had six successful bond issues for a total of \$741 million in 2018. Excluding refunding, CHFA raised \$499 million of lendable proceeds to fund single-family mortgages and \$61 million to fund affordable housing developments.

In 2019, CHFA anticipates issuing about \$625 million of bonds, which will allow continuous funding for its first-time homebuyer program and new investment in the creation and preservation of affordable multifamily rental projects.

2. Addressing the needs of Connecticut residents

In 2018, CHFA provided 3,206 mortgage loans that allowed first-time buyers to close on their first homes. CHFA, in partnership with DOH, provided financing to build or renovate 847 units of affordable housing in the state.

3. Administering Tax Credits

CHFA is the State's administrator for the Federal Low Income Housing Tax Credit (LIHTCs) program. CHFA awarded \$8.08 million in 9% LIHTCs and \$2.08 million in 4% LIHTCs, which are expected to generate more than \$94 million in tax credit equity from private investment. Due to the changes brought about by tax reform, the amount of credits available has increased temporarily to \$9.9 million. CHFA also administers the \$10 million State Housing Tax Credit Contributions (HTCC) program that provides funds of up to \$500,000 in funds per development for affordable housing. These credits are awarded to non-profit developers.

4. Jobs and economic growth supported by affordable housing

In addition to fulfilling our mission and meeting the needs of the State, CHFA's financing of affordable housing positively impacts job creation and economic activity in Connecticut. CHFA uses the REMI PI+ State model to assess the statewide impact of development activity. In 2018, developments approved by CHFA's Board of Directors are estimated to have created 282 construction jobs, and a total of 1,111 jobs in all parts of the economy. Those developments also generated \$384.22 million in new economic activity with \$22.09 million in additional state revenue.

5. Increased attendance at free Homebuyer Education classes

CHFA funds homebuyer education and housing counseling programs at housing counseling agencies across the state. These programs are an investment, as research from HUD has shown that borrowers who attend education and counseling programs are more likely to be successful in managing their mortgage in the future. In 2018, attendance increased for all classes by 16%, due to increased mortgage activity and the ease of completing the online classes. CHFA expects the increase in homebuyer education to continue in 2019.

6. CHFA University

In 2017, the Single-Family Department created the CHFA University program. "CHFA U" is a daylong training program that provides specific training on CHFA loan programs for lending partners. In 2018, the program was expanded to provide intensive training for specific job descriptions: CHFA U for Loan Officers, CHFA U for Operations Staff and CHFA U for Real Estate Agents. Each event was well attended and Single-Family plans to further enhance the program by providing future participants an opportunity for certification that will designate them as bona-fide CHFA partners authorized to offer CHFA loan programs for first-time homebuyers.

7. PRIMEX

CHFA's Lean program has evolved from a focus on large process improvements efforts addressed through Kaizen events to a focus on short-term projects that provide a significant impact in enhancing core-competencies for the business. The new initiative called "PRIMEX" (which stands for Process Improvement Experts) is steered by a cross-functional team that actively seeks input from staff members and fosters interdepartmental engagement through process improvement efforts. PRIMEX projects are geared towards tasks that are limited in scope and are quick, actionable, productive wins that increase productivity and improve the quality of work. The underlying objective is to perpetuate an organizational change in culture, with employees thinking about constant and continuous changes as part of everyday activities and addressing interdepartmental friction points by improving existing processes and achieving greater efficiencies.

8. CHFA's Housing Connections Program wins NCSHA Award

The Housing Connections Program was honored with an award from The National Council of State Housing Agencies as an innovative approach to housing finance. The Housing Connections Program is a partnership between CHFA and the Local Initiative Support Corporation (LISC), to spur affordable housing development at an appropriate scale for smaller communities. CHFA has provided a total of \$3 million over the 10 years of the program's operation, and LISC, working with local affordable housing stakeholders provides the implementation support. The Housing Connections program has provided technical assistance leading to the development and/or redevelopment of 577 affordable homes, representing nearly \$112 million of development activity. Additionally, the program is providing technical assistance to 29 other projects with the potential of an additional 658 units.

9. CHFA's new website launched in 2018

As the result of a Lean Kaizen, CHFA began the process of developing a new website in 2017. The new [CHFA website](#), a responsive site that automatically adjusts for computers, tablets and phones, is streamlined and easier to navigate. A careful review of analytics from the old site led to a reorganization that makes the most sought-after information easier to find. In addition, CHFA's Planning, Research and Evaluation department added a [Housing Data Portal](#) to the site, allowing visitors to access a wealth of housing data.

Promoting Single-family Homeownership

3,206 first-time buyers purchased homes with a CHFA mortgage

CHFA's below-market interest rate mortgages make homeownership affordable for first-time homebuyers, or buyers who have not owned a home in the last three years. The first-time mortgage buyer program is financed through proceeds from the sale of Federal Tax-Exempt Housing Bonds, also known as Private Activity Bonds (PABs), issued by CHFA.

To qualify for a CHFA mortgage, applicants must meet specific income criteria and the home they plan to purchase must be within sales price guidelines specific to the area of the state. The guidelines are set by the U.S. Department of Housing and Urban Development (HUD) and the United States Census Bureau and updated in 2018. For example, the income limit for a household of three or more people in Hartford County is \$111,320, and the sales price limit of the home is \$325,055. In areas designated as "Targeted Areas", or census tracts defined by the IRS as an area of chronic distress which could benefit from increased homeownership, the income limit for a household of three or more increases to \$135,055 and the sales price limit increases to \$397,290.

Go to [CHFA's Resource Map \(https://www.chfa.org/homebuyers/chfa-resource-map-target-areas/\)](https://www.chfa.org/homebuyers/chfa-resource-map-target-areas/) to see the income limits, sales price limits, and targeted areas by town. The income restrictions may be waived for borrowers purchasing homes in Targeted Areas.

In recent years, CHFA has expanded its mortgage offerings to give borrowers more flexibility and choose loan options that best suit their financial situation. New choices include options for interest rates/points with Government and Non-Government programs and loans with lower mortgage insurance costs.

Single-Family Mortgage highlights:

- 3,206 mortgage loans = \$573.8 million invested in single-family homeownership
- Average mortgage amount = \$178,977
- Borrowers average yearly gross income = \$72,442
- Average monthly mortgage payment = \$834.33 at 3.77% (calculated at 2018 average rate)
- Average age of borrowers = 35
- 38.86% female heads of households (1,246 loans)
- 40.36% minority borrowers (1,294 loans)
- 18.40 % of loans made in Federally Targeted areas within Targeted communities (590 loans)
- 56.80% of loans made in 17 communities identified by the State of Connecticut's Conservation & Development Policy Plan as being regional, urban center communities (1,821 loans)
- 118 marketing outreach events worked by CHFA staff, including events across Connecticut to share information on homebuyer programs, Reverse Annuity Mortgages for seniors, foreclosure prevention events, informational sessions for Realtors and real estate agents, lender training, homebuyer seminars and sporting events.

Downpayment Assistance Program (DAP): 1,167 loans totaling \$9.9 million

Saving money for a down payment is the largest obstacle for first-time homebuyers. With higher rents in Connecticut, some renters find that a mortgage payment can be lower than their current rent; however, without enough savings for the down payment, borrowers struggle to make the transition from renter to homeowner.

CHFA addresses this issue through its DAP by offering loans to help qualified first-time borrowers cover the cost of the down payment. A DAP loan is a second mortgage with the same interest rate as the borrowers' first CHFA mortgage.

Effective in April of 2018, modifications were made to the Downpayment Assistance Program (DAP) in an effort to extend the program resources as well as to strengthen borrower success. The changes limited DAP funds eligibility to down payment assistance only (closing costs were excluded) and restricted the maximum Combined Loan to Value (CLTV) on CHFA financing to 100% (plus any capitalized costs required by Federal program regulations).

Demand for DAP loans decreased in 2018, which may be a result of the program modifications, which initially caused confusion among lenders and realtors.

Specialized Mortgage Programs

CHFA offers several specialized mortgage programs to increase homeownership. The CHFA interest rate can be reduced by 0.125% for qualified applicants including: teachers purchasing homes in priority or transitional districts where they teach; or are certified in state-determined academic subject-matter shortages areas, members of the U. S. Military Services, their surviving spouses, and veterans; police officers purchasing homes in the towns where they work; people with disabilities or who have disabled family members living with them, and residents of public housing who purchase a home. There are multiple criteria for these programs outlined on the CHFA website.

In 2018, CHFA provided:

- **44 Military Homeownership loans**
- **39 Teacher Mortgage Assistance loans**
- **1 Police Homeownership loan**
- **12 Residents of Public Housing loans:**
 - **2 Section 8 Program**
 - **10 Homeownership Program**

Homebuyer Education & Counseling Programs

CHFA partners with U.S. Department of Housing and Urban Development (HUD) approved Housing Counseling Agencies to offer free Homebuyer Education classes and Counseling Programs. The Homebuyer Education classes and Counseling Programs are designed to provide the tools and education that will empower low- and moderate-income households across the state to be successful in achieving the security, stability and wealth-building opportunity of home ownership.

CHFA is one of nineteen State Housing Finance Authorities to receive a grant award from HUD. Funds received from this grant award are allocated amongst Housing Counseling Agencies to assist in the funding of homebuyer education and counseling programs.

Homebuyer Education

Connecticut residents who are in the process of obtaining a CHFA mortgage are required to attend one of the following Homebuyer Education classes:

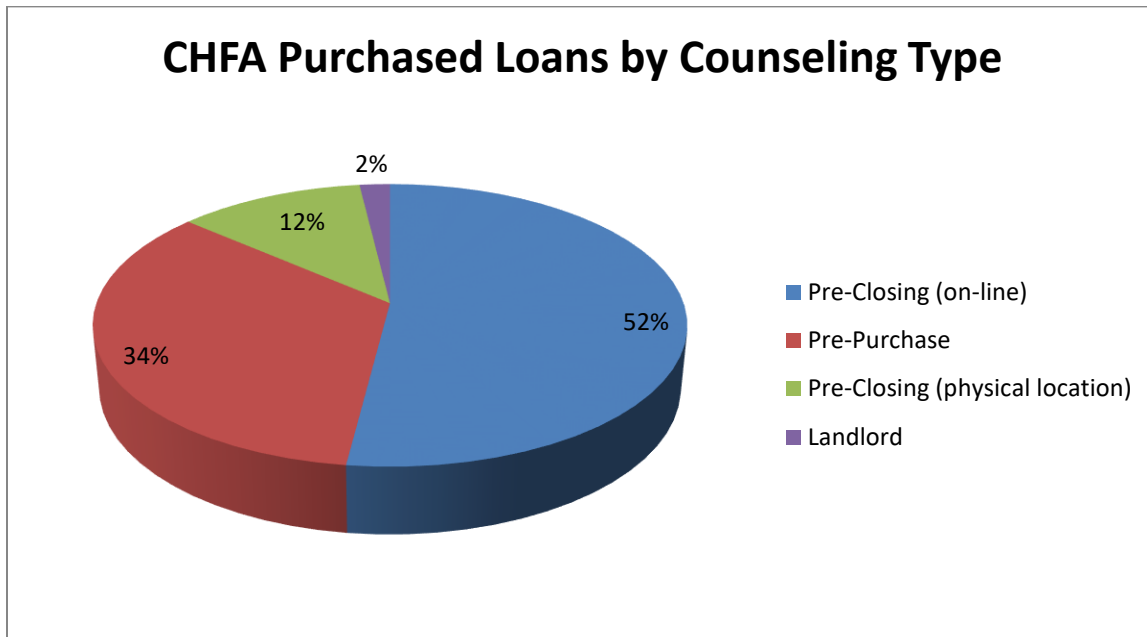
- Pre-Purchase Homebuyer Education: This is a comprehensive, eight-hour course teaching the prospective buyer about what it takes to become a successful homeowner, from seeking pre-approval for a mortgage, to making an offer to purchase a property, to the closing process. Individual financial and credit counseling is available as part of this eight hour class. This class is offered to any resident of Connecticut who is considering the purchase of their first home. Some agencies offer this class in English and Spanish.
- Pre-Closing Homebuyer Education: If the individual obtaining a single-family CHFA mortgage is unable to attend the Pre-Purchase Homebuyer Education class, the Pre-Closing Homebuyer Education class is available. Topics discussed include the mortgage process, the loan closing process, mortgage loan documents, home maintenance and repairs, as well as actions to take in the future should they face mortgage delinquency. Individuals can either chose to attend a physical class or they can choose the On-line Homebuyer Education course provided by e-Home America.
- Landlord Education: This class is required for individuals who are in the process of obtaining a CHFA mortgage purchasing a 2-4 family home. Topics discussed include rights and responsibilities of landlords and tenants in Connecticut, selecting tenants, maintaining your property, and maximizing tax advantages. This class is also offered to all existing Connecticut Landlords.

Along with the Pre-Purchase Homebuyer and Landlord Education class, the following class is also offered to all Connecticut residents:

- Financial Fitness Education: This three-hour class covers the importance of managing money and understanding credit, providing the tools for the individual to become a wiser consumer and avoid financial pitfalls. Topics discussed include budgeting, checking accounts and savings plans and how to effectively monitor and maintain one's credit. Some agencies offer this class in English and Spanish.

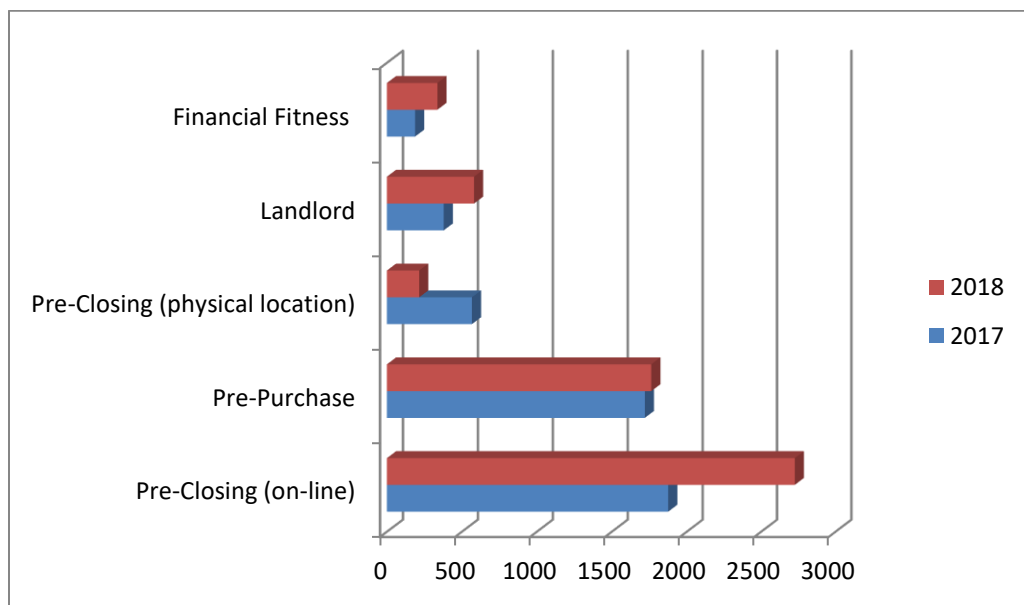
CHFA Purchased Loans

In 2018, CHFA purchased 3,206 mortgage loans. The chart below represents the Homebuyer Education Class selected by each borrower; the Pre-Closing On-line Homebuyer Education course being the most popular class attended.



Funding for Homebuyer Education and Counseling Programs

In 2018, funding was provided for approximately 5,624 households to attend either a class required to obtain a CHFA mortgage (Pre-Purchase, Pre-Closing and Landlord) or a class offered to any resident of Connecticut (Pre-Purchase, Financial Fitness and Landlord Education). The following chart reflects the number of households funded in 2018 versus 2017 where CHFA provided funding for approximately 4,815 households.



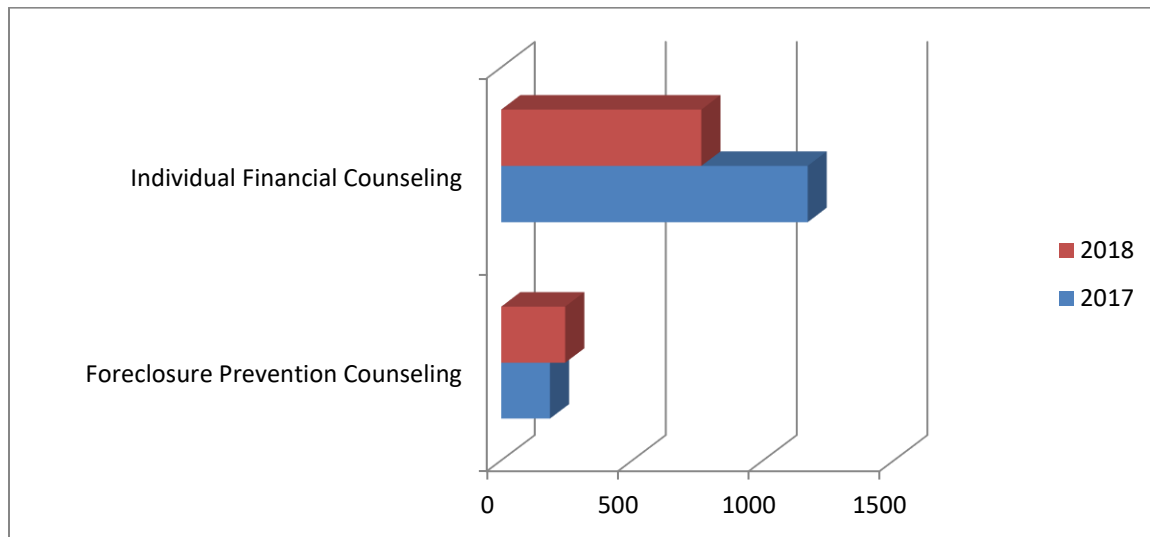
Each class offered in 2018 had an increase in households attending except for the Pre-Closing Homebuyer Education class held at a physical location; this class had a decrease of about 62% of households attending.

Counseling Programs

The following counseling programs are offered to all Connecticut Residents:

- **Individual Financial Counseling:** This program is offered to all individuals who take part in the Pre-Purchase Homebuyer Education eight-hour class. Individuals will receive a one on one session to explore their mortgage readiness; knowledge of maintaining a budget; better understanding of credit management; and, making informed decisions about pursuing homeownership.
- **Foreclosure Prevention Counseling:** This class is made available to individuals and families who are in default and/or in danger of foreclosure. The counseling session includes a timeline for resolution to establish customer expectations, developing a written action plan, and submitting a loss mitigation recommendation to the Lender on behalf of the individual.

In 2018, funding was provided for approximately 1,008 counseling sessions. The chart below reflects the total number of counseling sessions funded in 2018 verse 2017 where funding was provided for 1,356 counseling sessions. Since 2017 there has been a 35% decrease in Individual Financial Counseling sessions and a 31% increase in Foreclosure Prevention Counseling sessions.



Emergency Mortgage Assistance Program

The State of Connecticut's Emergency Mortgage Assistance Program (EMAP), administered by CHFA, provides mortgage delinquency relief to homeowners who have experienced a temporary hardship beyond their control. EMAP mortgage loans provide funds to bring homeowners current on their mortgage and, if needed, monthly mortgage assistance for up to 60 months. In 2018, EMAP provided mortgage assistance to 13 homeowners. The decreased demand for EMAP loans is an indicator that the economy continues to improve and mortgage delinquency rates are declining.

Financing Affordable Multifamily Rental Housing

CHFA approved financing for the new construction, rehabilitation or preservation of 847 affordable housing units in 2018

CHFA provides loans to developers and owners of affordable and mixed-income multifamily rental housing at or below-market interest rates, helping them achieve feasibility for their housing proposals in Connecticut. Increasing the supply of quality, affordable rental units can revitalize and stabilize neighborhoods. In addition, CHFA financing is also available to rehabilitate and preserve existing affordable rental housing stock.

CHFA mortgage financing, (proceeds of tax-exempt housing bonds and taxable bond issues) is often combined with other funding mechanisms, including 9% and 4% Federal Low Income Housing Tax Credits (LIHTC) and the State Housing Tax Credit Contributions (HTCC) program. Developers are encouraged to combine CHFA funding with private bank financing, private grants or equity as well as public sources as available.

CHFA works closely with the DOH and other state agencies to maximize the available dollars and to spur private investment in affordable housing. For example, one such program that has been offered for the past few years is the Competitive Housing Assistance for Multifamily Properties (CHAMP) program. Launched in 2012, the program is funded by the State, through DOH. CHFA has supported this initiative by offering LIHTCs and bonds, reviewing application requirements, coordinating closings and the construction process.

The CHAMP program provides gap funding in the form of grants and/or loans that can be leveraged with tax credits and other funding. In 2018, the CHAMP program Round 12 approved funding to create 702 affordable housing units in the state. Two properties, with a total of 42 units that were approved by the CHFA Board during 2018 received CHAMP funds, also received 4% LIHTC credits and CHFA Tax Exempt Bond funds.

As another example, CHFA has been collaborating with DOH and the Department of Developmental Services (DDS) to administer state funding for the Intellectual Disabilities and Autism Disorder Spectrum Housing (IDASH) Program to finance new properties in 2018 and 2019. Two properties with 78 units received State funds that leveraged Federal Tax-Exempt Housing Bonds and 4% LIHTCs.

Board Approved Transactions in 2018

The transactions listed on the following pages are developments approved for financing by CHFA's Board of Directors. The transactions are listed alphabetically by town. State Sponsored Housing Portfolio (SSHP) transactions that received funding through the Capital Plan (the previous administration's \$300 million 10-year commitment) are listed on pages 27-30 in the Asset Management Section of the report.

The total unit numbers for some of the transactions listed on the following pages are not included in the 847 affordable housing units in 2018, as some of these developments may have been counted in previous years, but required additional CHFA Board approval in 2018. These 307 units are indicated with an asterisk.

Bloomfield:

Bloomfield Specialty Housing involves land acquisition and the new construction of a 2-story, 100% affordable apartment building. For IDASH residents, there will be 9 fully accessible apartments (2 one-bedroom units, 5 two-bedroom units and 2 three-bedroom units). IDASH residents at or below 25% Area Median Income (AMI) individually will be paired in two-bedroom apartments and tripled in three-bedroom apartments as households at 60% AMI or below. The apartments will have "Accessible-Plus Design" features and "Smart Home Technology" to foster independence and self-sufficiency; although not specifically designated as supportive housing units, these 9 units will have supportive services available via DDS funding. There will be 28 one bedrooms, 8 two bedrooms, and 2 three bedrooms.

Units	38
Housing Type	Family
Affordability	38 units affordable to households up to 60% AMI. 9 of 38 units will receive project-based subsidies from the state.
Financing	\$2.9m – 4% LIHTC proceeds, \$229k – Deferred Developer Fee, \$91k – Energy Rebates, \$1.7m – CHFA Tax-Exempt Bond (TEB) Funds, \$6.8m – DOH Housing Trust Fund

Canton:

Canton Specialty Housing involves land acquisition and the new construction of a 2-story, 100% affordable apartment building. The apartments will have a 40-year affordability restriction. For IDASH residents, there will be 10 fully accessible apartments (2 one-bedroom units, 6 two-bedroom units and 2 three-bedroom units). IDASH residents at or below 25% AMI individually will be paired in two-bedroom apartments and tripled in three-bedroom apartments as households at 60% AMI or below. The apartments will have "Accessible-Plus Design" features and "Smart Home Technology" to foster independence and self-sufficiency; although not specifically designated as supportive housing units, these 10 units will have supportive services available via DDS funding. There will be 14 one bedrooms, 24 two bedrooms, and 2 three bedrooms.

Units	40
Housing Type	Family
Affordability	40 units affordable to households up to 60% AMI. 10 of 40 units will receive project-based subsidies from the state.
Financing	\$3m – 4% LIHTC proceeds, \$355k – Deferred Developer Fee, \$95k – Energy Rebates, \$2.5m – CHFA TEB Funds, \$6m – DOH Housing Trust Fund

Darien:

Old Town Hall Homes is the redevelopment of an existing 30 unit elderly development located in five two-story buildings, into a 55-unit development located in a single three-story building. The redevelopment will address ADA requirements. The new building will include an exercise facility, computer lab, common space, and landscaped green space. The property is located on a bus line and is within a half mile of Darien's main Metro North train station. Neighborhood amenities include restaurants, banks, churches, a shopping area and a park. The Town has shown support for the development by providing funding and tax abatement. There will be 53 one bedrooms and 2 two bedrooms.

Units	55
Housing Type	Elderly
Affordability	11 units affordable to households up to 25% AMI, 17 units affordable to households up to 50% AMI, 27 units affordable to households -up to 60% AMI.
Financing	\$6m -DOH High Opportunity Housing Loan, \$1.5m - CT DECD, \$400k - Property Reserves, \$6.7m - 4% LIHTC proceeds, \$295k - Developer/Investor Cash Equity, \$441k -Deferred Developer Fee, \$157k - Energy Rebates, \$3.8m-TEB Funds

East Haven:

East Haven High School Apartments is an adaptive reuse project that will transform a majority-vacant structure into mixed-income, age-restricted rental housing. The main building was originally constructed in 1936, with wing sections and a pool and gymnasium added in later years. The project will include 14 units of supportive housing for families and individuals that are chronically homeless or at risk of homelessness. The development will also offer amenity spaces for residents, a management office with a Resident Services Coordinator, and on-site parking. There will be 67 one bedrooms and 3 two bedrooms.

Units	70
Housing Type	Elderly/Supportive
Affordability	14 units affordable to households up to 25% AMI, 28 units affordable to households up to 50% AMI, 8 units affordable to households up to 60% AMI, 20 units affordable up to 120% AMI or greater. 14 of 70 units will be Supportive Housing.
Financing	\$6m - DOH Affordable Housing Program - FLEX, \$15.2m - 9% LIHTC proceeds, \$4.6m - Federal Historic Credit, \$4m - State Historic Credit, \$614k -Deferred Developer Fee, \$195k - Energize CT RNC Program, \$500k - CHFA First Mortgage

Ellington:

Snipsic Village I & II consists of two developments, Snipsic Village I (built 1968) and Snipsic Village II (built 1977). Both complexes operate under the State-Sponsored Housing Portfolio (SSHP) Elderly Housing Program and are identified in the Capital Plan as a LIHTC 2017 transaction year redevelopment. The redevelopment contemplates a moderate rehabilitation of each of the apartment units including but not limited to: asbestos abatement, new roofing, replacement of defective heat pumps, and new kitchens. There will be 20 studios and 22 one bedrooms.

Units	42
Housing Type	Elderly
Affordability	42 units affordable to households up to 80% AMI.
Financing	\$2.4m - DOH SSHP Grant, \$68k - Energy Rebate, \$43k - Reserves, \$149k - DOH Pre-Dev Loan

Greenwich:

Armstrong Court Phase I is new construction on vacant land within the existing Armstrong Court site located at 1-30 Armstrong Court, Greenwich. The construction will be modular and built to meet CHFA design and construction standards for quality and durability. Project-based Section 8 subsidies are available for 10 units at the lower AMI bands. There will be 6 two bedrooms and 12 three bedrooms.

Units	18
Housing Type	Family
Affordability	4 units affordable to households up to 25% AMI, 6 units affordable up to 50% AMI, 8 units affordable to households up to 60% AMI. 10 of 18 units will be project-based subsidies.
Financing	\$2m – 4% LIHTC proceeds, \$56k – Energy Rebate, \$271k – State HTCC Proceeds, \$67k – Accrued Interest Seller Note, \$2.5m – CHFA TEB Funds, \$3.4m – DOH CHAMP Funds, \$940k – Seller Financing

Hartford:

The Hub on Park is a mixed-income housing development in the Frog Hollow neighborhood of Hartford. The development will involve the demolition of an existing structure at 981 Park Street and the new construction of 36 new units in a brick row house-style configuration that will reflect the historic architecture of the neighborhood. In addition, the development will also include the substantial rehabilitation of three 3-family adjoining historic structures, all with views of Pope Park. The Hub is a transit-oriented development located within one-half mile of the Parkville CTfastrak station. Amenities will include community room and bicycle storage. There will be 6 one bedrooms, 33 two bedrooms, and 6 three bedrooms.

Units	45
Housing Type	Family
Affordability	10 units affordable to households up to 25% AMI, 18 units affordable to households up to 50% AMI, 12 units affordable to households up to 60% AMI, 5 units affordable to households up to 100% AMI
Financing	\$5.3m – DOH Affordable Housing Program - FLEX, \$9.4m – 9% LIHTC proceeds, \$237k –Deferred Developer Fee, \$149k – Energy Rebates, \$1m – Hartford HOME

Westbrook Village I is the first phase in the redevelopment of a post-war State Moderate Rental Housing development. This phase includes the demolition and abatement of 100 units within 23 buildings. Amenities will include community space and a playground. Several bus stops will serve the development, and Union Station in downtown Hartford can be directly accessed from the site. Supportive services will be provided to families that are chronically homeless or at-risk of becoming homeless. The Hartford Housing Authority, the co-sponsor of the development, will provide 24 project-based Section 8 rental subsidies. The City of Hartford has approved a property tax abatement. There will be 28 one bedrooms, 32 two bedrooms, 15 three bedrooms.

Units	75
Housing Type	Family/Supportive
Affordability	15 units affordable to households up to 25% AMI, 30 units affordable to households up to 50% AMI, 15 units affordable to households up to 60% AMI, 15 units affordable up to 120% AMI or greater. 15 of 75 units will be Supportive Housing. 24 of 75 units will receive project-based subsidies.
Financing	\$6m – DOH Affordable Housing Program - FLEX, \$16.9m – 9% LIHTC proceeds, \$500k –FHLPP AHP Grant, \$313k – Energy Rebates, \$3m – MHIC, \$575k – GP Loan

Willow Creek Apartments Phase I is the first phase of new rental housing designed to replace the obsolete, uninhabitable units at the existing Chester A. Bowles Park property. Built in 1949-1950, this development is one of the oldest public housing complexes in Hartford. The site is located near several public schools and the University of Hartford. Several bus stops are located in the complex offering access to commercial and retail amenities. Redevelopment will also include the construction of a Community Building offering a business center, fitness facility, community space and offices for on-site management. There will be 12 one bedrooms, 40 two bedrooms, 9 three bedrooms, and 1 four bedroom.

Units	62*
Housing Type	Family/Supportive
Affordability	16 units affordable to households up to 25% AMI, 25 units affordable to households up to 50% AMI, 21 units affordable to households up to 60% AMI. 13 of 62 units will be Supportive Housing. 19 of 62 units will receive project-based subsidies.
Financing	\$6m – DOH Affordable Housing Program- FLEX, \$18.6m – 9% LIHTC proceeds, \$145k – Energy Rebate, \$500k – State HTCC Proceeds, \$62k – Developer/Investor Cash Equity, \$387k – Deferred Developer Fee, \$1.6m – Bank of America Loan, \$500k – FHLB AHP, \$574k – CHFA FAF Funds

Willow Creek Apartments Phase II is the second phase in the redevelopment of Bowles Park, a property in the State`s Moderate Rental Housing portfolio. Currently only 15% occupied, the redevelopment plan requires existing buildings be abated and demolished. Amenities will include a community building with office and community space, a business center and a fitness facility. The site is within walking distance of schools, retail establishments and neighborhood recreation centers. Several bus stops will serve the development, and Union Station in downtown Hartford can be directly accessed from the site. Eleven households will receive project-based Section 8 rental subsidies. Supportive services will be provided to five chronically homeless individuals and four families with special needs. There will be 6 one bedrooms, 24 two bedrooms, and 13 three bedrooms.

Units	43*
Housing Type	Family/Supportive
Affordability	11 units affordable to households up to 25% AMI, 18 units affordable to households up to 50% AMI, 9 units affordable to households up to 60% AMI, 5 units affordable to households up to 120% AMI or greater. 9 of 43 units will be Supportive Housing. 11 of 43 units will receive project-based subsidies.
Financing	\$10.3m – 9% LIHTC proceeds, \$1m – Developer/Investor Cash Equity, \$160k – Energy Rebate, \$43k – Deferred Developer Fee, \$726k – CHFA ITA Funds, \$6m – DOH Affordable Housing Program – FLEX, \$780k – Bank of America Loan

Willow Creek Apartments Phase III is the third phase of rental housing designed to replace the obsolete, uninhabitable units at the existing Chester A. Bowles Park property. The new development will add to the revitalization of the Blue Hills neighborhood by eliminating blighted, vacant structures and introducing pedestrian-friendly streetscapes. An on-site community building will include a management office, community space with kitchenette, a business center, fitness facility, and laundry facility. A part-time resident service coordinator will be engaged to attend to residents supportive housing needs. There will be 6 one bedrooms, 18 two bedrooms, and 6 three bedrooms.

Units	30
Housing Type	Family/Supportive
Affordability	8 units affordable to households up to 25% AMI, 12 units affordable to households up to 50% AMI, 4 units affordable to households up to 60% AMI, 6 units affordable up to 120% AMI or greater. 3 of the 30 units will be Supportive Housing.
Financing	\$6m – DOH Affordable Housing Program - FLEX, \$6.4m – 9% LIHTC Proceeds, \$141k –Deferred Developer Fee, \$118k – Energy Rebates, \$85k – Developer Contribution, \$1.5m – Developer Contribution to be Replaced, \$500k – Bank of America loan, \$345k – Housing Authority Funds

Manchester:

Common Thread Cooperative is a rehabilitation of an existing 16 unit limited equity cooperative built in 1991. Key improvements include, but are not limited to window replacements, parking area and sidewalk repaving, unit appliance and cabinetry upgrades, flooring upgrades, repair and replacement of the Exterior Insulation and Finish System (EIFS), retaining wall fixes, updating smoke detectors, faucet upgrades in kitchens, and lighting upgrades. Common Thread Cooperative is well suited for easy access to local and regional transportation networks. The site is located less than 1/10 of a mile from a CT Transit Bus Stop along Main Street with seven-day service. The Limited Equity Cooperative model is unique in that members are responsible for the oversight of the building operations and management. Members offer "sweat equity" into the project by contributing labor and volunteer time to ensure the successful operations and longevity of the property. There are 9 two bedrooms and 7 three bedrooms.

Units	16
Housing Type	Family
Affordability	16 units affordable to households up to 100% AMI
Financing	\$1.1m – DOH SSHP Grant, \$5k – Energy Rebate

Montville:

Oxoboxo Lofts is the conversion of a historic complex of mill buildings built in the late 1800`s that is currently being utilized as an assembly plant. The development is located in Montville, a municipality with less than 10% Assisted and Deed Restricted Housing. There has been no other significant development in the area for decades. The development includes an on-site office for management and supportive service personnel, a community room and a fitness center. There will be 1 studio, 34 one bedrooms, and 37 two bedrooms.

Units	72
Housing Type	Family/Supportive
Affordability	15 units affordable to households up to 25% AMI, 29 units affordable to households up to 50% AMI, 13 units affordable to households up to 60% AMI, 15 units affordable up to 120% AMI or greater. 15 of 72 units will be Supportive Housing.
Financing	\$6m – DOH Affordable Housing Program - FLEX, \$13.5m – 9% LIHTC proceeds, \$5.1m – Federal Historic Credit, \$6.4m – State Historic Credit, \$306k –Deferred Developer Fee, \$69k – Energy Rebates

New Britain:

Courtland Arms is located at 57 Court Street & 30 South High Street in New Britain. The 57 Court Street property consists of a single, five-story building and is situated on a 0.35 acre site. The 30 South High Street property contains a parking lot. The initial construction and improvements were constructed in 1925. Courtland Arms will include a laundry area, a property management office and community spaces, as well as parking on the South High Street site. Courtland Arms will be subsidized with four rent vouchers reserved for homeless veterans. There will be 24 one bedrooms.

Units	24
Housing Type	Family/Supportive
Affordability	4 units affordable to households up to 25% AMI, 7 units affordable to households up to 50% AMI, 10 units affordable to households up to 60% AMI, 3 units affordable up to 80% AMI or greater. 4 of 24 units will be Supportive Housing.
Financing	\$2.5m – DOH CHAMP Funds, \$52k – Energy Rebate, \$204k – City of New Britain HOME Funds, \$1.9m – 4% LIHTC proceeds, \$1.1m – Federal Historic Credit Proceeds, \$1.4m – State Historic Credit Proceeds, \$131k – Deferred Developer Fee, \$708k – Property Donation, \$250k – CHFA TEB Funds

New Haven:

HANH RAD Group I the Housing Authority of the City of New Haven (HANH) received HUD approval to convert 13 properties with up to 912 units to a project-based 20-Year Housing Assistance Payment Contract (HAP) under the Rental Assistance Demonstration (RAD) Program. Under RAD, the 20-year HAP contract, with statutorily mandated contract renewal, allows public housing agencies to leverage public and private debt and equity in order to address the long-term capital improvement needs of at-risk public housing properties. Phase I of the RAD conversion consists of the acquisition and rehabilitation of four existing (4) properties comprised of 14 buildings. There will be 30 studios, 107 one bedrooms, and 7 two bedrooms.

Units	144*
Housing Type	Elderly
Affordability	46 units affordable to households up to 50% AMI, 98 units affordable to households up to 60% AMI. All 144 units will receive project-based subsidies.
Financing	\$7.1m – 4% LIHTC proceeds, \$4.8m – CHFA TEB Funds, \$5.2m – HANH MTW Funds, \$1m – CT Green Bank, \$10.4m – Seller Note

HANH RAD Group II is three separate family communities; Waverly Townhomes (51 units), Fulton Park (12 units), and Stanley Justice (7 units), are combined for this development. The properties are public housing that is converting to project-based subsidy housing under the RAD program. Renovation work includes improvements to the interiors, exterior envelope and mechanical systems. There will be 21 two bedrooms, 39 three bedrooms, and 10 four bedrooms.

Units	70
Housing Type	Family
Affordability	67 units affordable to households up to 50% AMI, 3 units affordable to households up to 60% AMI. All 70 units will receive project-based subsidies.
Financing	\$7.2m – 4% LIHTC proceeds, \$405k Deferred Developer Fee, \$3.3m – HANH MTW Funds, \$285k – Capital Fund Program Funds, \$396k – Brownfield Loan, \$6.8m – CHFA Taxable Bond Funds, \$7.3m – Developer Loan

New London:

Saint Mary Place is an adaptive re-use of an elementary school building with historic significance into 20 units of affordable housing. The brick exterior of the 3-story structure will be preserved with minor modifications. Most of the interior will be renovated and an elevator will be added. The project sits on 2.87 acres of land, which includes 3 contiguous parking lots. There will be 11 studios and 9 one bedrooms.

Units	20
Housing Type	Supportive
Affordability	5 units affordable to households up to 25% AMI, 7 units affordable to households up to 50% AMI, 8 units affordable to households up to 60% AMI. 5 of 20 units will be Supportive Housing.
Financing	\$2.9m – DOH/HUD HOME Funds, \$2m – 4% LIHTC proceeds, \$1m – Federal Historic Credit Proceeds, \$1.2m – State Historic Credit Proceeds, 190k – Deferred Developer Fee, \$140k – FHLBB AHP Direct Subsidy Grant, \$100k – FHLBB

Norwalk:

Washington Village Phase 2 (9%) is part of a grant to support a Master Redevelopment Project (MRP) of the 136-unit Washington Village public housing property. The MRP replaces the units in three phases with a new 273-unit, mixed-income community consisting of 136 replacement public housing units, 67 rent- and income-restricted affordable workforce housing units, and 70 unrestricted market rate units. Washington Village Phase 2, funded by 9% LIHTCs 43 units, together with Washington Village Phase 2 , funded by 4% LIHTCs, 42 units, proposes the new construction of 85 units including 42 replacement public housing units, 23 affordable workforce housing units and 20 unrestricted market units. Among several committed sources of funds, the City of Norwalk and its Redevelopment Authority have pledged \$9m in public infrastructure improvements, of which approximately \$2.8m is dedicated to Phase 2. There will be 17 one bedrooms, 24 two bedrooms, 2 three bedrooms.

Units	43
Housing Type	Family/Supportive
Affordability	11 units affordable to households up to 25% AMI, 10 units affordable to households up to 50% AMI, 12 units affordable to households up to 60% AMI, 10 units affordable up to 120% AMI or greater. 9 of 43 units will be Supportive Housing. 11 of 43 units will receive project-based subsidies.
Financing	\$2.8m – DOH Affordable Housing Program - FLEX, \$17.9m – 9% LIHTC proceeds, \$728k –Deferred Developer Fee, \$3.7m – CHFA First Mortgage, \$1.1m – DECD Brownfield

Washington Village Phase 2 (4%) will consists of 16 one bedrooms, 24 two bedrooms, and 2 three bedrooms.

Units	42
Housing Type	Family/Supportive
Affordability	11 units affordable to households up to 25% AMI, 10 units affordable to households up to 50% AMI, 11 units affordable to households up to 60% AMI, 10 units affordable up to 120% AMI or greater. 8 of 42 units will be Supportive Housing. 10 of 42 units will receive project-based subsidies.
Financing	\$3.1m – State Loan, \$7.5m – 4% LIHTC proceeds, \$685k – Deferred Developer Fee, \$3.7m – CHFA TEB Funds, \$1m – NRA Soft Loan, \$6.6m – CNI via NHA, \$958k – NHA Insurance Proceeds, \$1.5m – DECD Brownfield via NHA

Norwich:

Eastwood Court is an existing elderly development originally funded under the State Elderly Program and owned by the Norwich Housing Authority (NHA). Built in 1965, Eastwood Court includes 25 units in three buildings. The average size of the efficiency units is approximately 355 square feet. NHA proposes to undertake a moderate rehabilitation, which will provide significant upgrades to the quality of the units & improve living conditions of residents. The scope will include significant site work, kitchen floor, cabinet and counter replacement, bathroom floor, tub & vanity replacement, roof replacement and window replacement among other improvements. All 25 units will be studios.

Units	25
Housing Type	Elderly
Affordability	6 units affordable to households up to 50% AMI, 7 units affordable to units up to 60% AMI, 12 units affordable up to 80% AMI.
Financing	\$1.8m – DOH SSHP Grant, \$126k – DOH Pre-Dev Grant, \$16k – Energy Rebate, \$148k – Reserves

Stonington:

Threadmill Apartments is the adaptive re-use of a historic former mill complex into a mixed-use, mixed-income development containing commercial space. The Development consists of the four-story Main Mill Building, which contains 48 apartments, and two smaller outbuildings - Picker House, which contains three apartments over a partially above-grade mechanical space, and the two-story Store House, which contains seven apartments on the upper floor and 9,517 square feet of commercial space on the ground floor. The apartments feature 14-foot ceilings, 11-foot high windows, and exposed brick walls. Seven apartments have views of the Pawcatuck River. There will be 28 one bedrooms and 30 two bedrooms.

Units	58*
Housing Type	Family
Affordability	12 units affordable to households up to 50% AMI, 46 units affordable to households up to 120% AMI or greater.
Financing	\$5m – DOH/HUD HOME Funds, \$1.2m – State Loan, \$3.6m – Federal Historic Credit Proceeds, \$4.1 – State Historic Credit Proceeds, \$1.3m – Developer/Investor Cash Equity, \$728k – Deferred Developer Fee, \$255k – Developer Land Equity, \$402k – Working Capital Deposit, \$900k – CHFA ITA Funds, \$7.7m – CHFA TEB Funds

Wallingford:

McGuire Court is composed of 12 single story buildings with a total of 50 units for the elderly. The minor/moderate rehab includes the replacement of: vinyl siding and insulation, masonry repointing, exterior window replacement, ADA conversion on a portion of the units, door and hardware replacement, radon mitigation, kitchen and bathroom upgrades including energy efficient light fixture replacement. There will be 40 studios and 10 one bedrooms.

Units	50
Housing Type	Elderly
Affordability	50 units affordable to households up to 50% AMI
Financing	\$800k – DOH/HUD CDBG Small Cities Funds, \$3.5m – DOH SSHP Grant, \$113k Pre-dev Grant, \$36k – Reserves

Westbrook:

Patchogue Place is a cooperative, residential development for families that is comprised of six buildings and 12 units. One first floor unit is designated as handicap accessible. The property is located in a mixed residential and commercial neighborhood in Westbrook. Original construction of the property dates to 1993. The rehab of the development focuses on exterior work and unit upgrades. There will be 7 two bedrooms and 5 three bedrooms.

Units	12
Housing Type	Family
Affordability	12 units affordable to households up to 80% AMI
Financing	\$1.1m – DOH SSHP Grant, \$18k – Energy Rebate, \$34k – Reserves, \$87k – DOH Pre-Dev Loan

Windsor:

Millbrook Village is a rehabilitation of a property that consists of one community building and seven residential buildings. Proposed work includes converting five efficiency apartments to 1 BR units, repaving the existing parking lot, replacing electrical panels in units, replace walks, new roof, community room generator, new gutters and leaders, Community Room upgrades, new vinyl siding over insulation, remove and infill all thru-wall AC sleeves, new Energy Star windows, replace water heater, replace Fire Alarm & Call for aid system, new signage at site, replace VCT floors, replace kitchen cabinets, LED Lighting upgrades site and units, bathroom upgrades, unit flooring and painting. There will be 32 studios and 28 one bedrooms.

Units	60
Housing Type	Family
Affordability	60 units affordable to households up to 80% AMI.
Financing	\$3.8m – DOH SSHP Grant, \$55k – Energy Rebate, \$100k – Reserves, \$500k – DOH SSHP Loan

Supporting Special Needs Housing

Supportive housing creates permanent, affordable service-supported housing opportunities for very-low income homeless individuals and families with severe and prolonged mental illness and/or chronic chemical dependency, and those who are homeless or at risk of becoming homeless, particularly those experiencing repeated or persistent homelessness.

In 2018, eight affordable housing developments approved for financing by CHFA's Board of Directors included 73 units of Permanent Supportive Housing (PSH) in their unit mix.

Development	Town	4% or 9% Program	PSH Units	Total Units	PSH Units as % of Total Units
East Haven High School Apartments	East Haven	9%	14	70	20%
Oxoboxo Lofts	Montville	9%	15	72	21%
Washington Village Phase II (9%)	Norwalk	9%	9	43	21%
Westbrook Village I	Hartford	9%	15	75	20%
Willow Creek Apartments Phase III	Hartford	9%	3	30	10%
Courtland Arms	New Britain	4%	4	24	17%
Saint Mary Place	New London	4%	5	20	25%
Washington Village Phase 2 (4%)	Norwalk	4%	8	42	19%
TOTALS			73	376	19%

Note: Supportive housing to be provided for adults and families as well as veterans and persons experiencing chronic homelessness. Production represents:

- 56 units or approximately 19% of the total 9% LIHTC production
- 17 units or approximately 20% of the total 4% LIHTC production

The Interagency Committee for Supportive Housing and Homelessness (ICSHH)

Since 1993, the State of Connecticut has been active in implementing supportive housing through a unique collaboration of public and private organizations that today includes the Office of Policy and Management (OPM), CHFA, and the State of Connecticut Departments of Children and Families (DCF), Correction (DOC), Developmental Services (DDS), Housing (DOH), Mental Health and Addiction Services (DMHAS), Social Services (DSS), Veterans Affairs (DVA), the Judicial Branch Court Support Services Division (CSSD) and the Corporation for Supportive Housing (CSH) through the Interagency Committee for Supportive Housing & Homelessness (ICSHH).

The ICSHH meets regularly to address the needs and priorities of the State related to ending homelessness. In 2018, the ICSHH continued to work ending chronic homelessness amongst all individuals and families. ICSHH additionally addresses the needs of young adults and families as well as individuals re-entering communities, including persons with serious mental health needs and/or substance abuse issues who are community-supervised offenders, who are living in a shelter or who are homeless.

There were no developments funded through the ICSHH in 2018. ICSHH member agencies continue to work together to secure and implement federal funding for supportive housing opportunities and in 2018 utilized grants from the U.S. Department of Housing and Urban Development (HUD) through its Section 811 program and the U.S. Department of Health and Human Services through its Community Mental Health Services and Substance Abuse Prevention and Treatment Block Grant program. These funds enabled the expansion of supportive housing throughout the state by providing critical service supports and rental subsidies necessary to integrate supportive housing in existing developments.

CHFA, as the State's housing finance authority and tax credit allocating agency, is an important partner in funding efforts that provide supportive housing units.

Administration of Tax Credit Programs

State Housing Tax Credit Contributions (HTCC) Program – 2017-2018

CHFA issues tax credit vouchers to business firms making cash contributions to qualified non-profits that develop affordable housing. The total amount available under the HTCC program is \$10 million annually, with a \$2 million set-aside for supportive housing, and a \$1 million set-aside for workforce housing. CHFA allocated the HTCCs in 2018 to non-profit organizations and their programs listed below, which will result in the development of at least 742 affordable homes and apartments.

Project Name	Town	Units	Contribution Received	Set Aside
Live Where You Work Program (formerly Workforce Housing Down Payment Fund)	Statewide	0*	\$500,000.00	W
Howey House	New Britain	11	\$66,000.00	S
Park Terrace II Apartments	Bridgeport	4	\$500,000.00	S
11 Crown Street TOD (Transit Oriented Development)	Meriden	81	\$500,000.00	S
Parkview Supportive Housing	Norwalk	36	\$500,000.00	S
My Sisters Place	Hartford	30	\$500,000.00	S
Capital for Change Loan Pool	Statewide	0*	\$500,000.00	G
Hartford Community Loan Fund	Statewide	0*	\$390,808.00	G
Willow Creek Apartments, Phase I	Hartford	62	\$500,000.00	G
The Old Marvin School	Norwalk	49	\$335,000.00	G
69 Belden Street	New London	2	\$400,000.00	G
New Haven Habitat Homes	New Haven	4	\$222,139.00	G
Stuart Farm Apartments, Phase II	Kent	5	\$80,000.00	G
Hartford Habitat Homeownership	E Hartford/New Britain	4	\$400,888.00	G
Greeneville NRZ Homes, Phase II 2018 HTCC	Norwich	6	\$500,000.00	G
Central Avenue Apartments	Waterbury	8	\$493,088.00	G
Home New London	New London	3	\$460,000.00	G
Stern Village Apartments	Trumbull	186	\$500,000.00	G
Armstrong Court Phase I New Construction	Greenwich	18	\$271,449.00	G
SLDC 16 Dickerman Homeownership	New Haven	2	\$89,673.00	G
Affordable Homeownership Development Project	New Haven	10	\$500,000.00	G
The Edgerton	New London	72	\$500,000.00	G
Hevrin Terrace	Willimantic	90	\$500,000.00	G
North End Rehab Project	Waterbury	4	\$500,000.00	G
19 Maple Street Extension	Kent	3	\$420,000.00	G
Lawnhill Terrace III	Stamford	52	\$434,715.00	G
Total		742	\$10,563,760	

W=Workforce Housing S=Supportive Housing G=General Housing

*Funding is leveraged with other funds from the non-profit, potentially increasing the number of units created.

Federal 9% Low-Income Housing Tax Credit (LIHTC) Program – 2018

Debt financing for the development of multifamily housing, such as mortgage loans, must be supplemented or augmented to balance the development budget and achieve development feasibility, while servicing low-income households. LIHTCs are a critical source of equity for developers, and they continue to be highly sought in a time when subsidy dollars are limited.

The 9% LIHTC program is highly competitive. In 2018, 15 applicants requested credits totaling more than \$20 million to fund 949 units of housing, while the amount of credits available was roughly \$8 million. The Federal LIHTC recipients are listed below and credits were awarded in 2018. The total equity for the \$8 million in credits is estimated to be \$79,947,337.

Federal 9% Low Income Housing Tax Credit Awards

City/Town	Project Name	Type of Housing	Qualified Units	Credit Awarded
Hartford	Westbrook Village I	Family/Supportive	60	\$1,680,000
Hartford	Willow Creek Apartments Phase III	Family/Supportive	24	\$689,931
Norwalk	Washington Village Phase II (9%)	Family/Supportive	33	\$1,868,562
Montville	Oxoboxo Lofts	Family/Supportive	57	\$1,425,011
Hartford	The Hub on Park	Family	40	\$999,499
East Haven	East Haven High School Apartments	Elderly/Supportive	50	\$1,424,468
			264	\$8,087,471

Staff oversee the State-Sponsored Housing Portfolio and a Private Portfolio

State-Sponsored Housing Portfolio (SSHP) Activity – 11,804 units

In 2012, the past administration announced a \$300 million commitment to fund improvements and revitalize the state's public housing over 10 years. These funds are administered by CHFA on behalf of the DOH, with \$30 million being allocated each year.

To guide the allocation of funds to meet the most pressing needs across the 295 properties in the State-Sponsored Housing Portfolio (SSHP), CHFA commissioned The Capital Plan, which was completed in March 2014. The Capital Plan, which made funding, policy and regulatory recommendations, was the road map for deployment of the \$300 million as well as \$1.5 million in Rental Assistance Payment (RAP) program subsidies.

CHFA and DOH worked closely on the implementation of the Capital Plan. Through an annual capital-funding round, set-asides were made for the 9% LIHTC Round, the CHAMP Round, Critical Needs funding and pre-development loan funding. Staffs from both organizations work together evaluating, rating and ranking applications, administering funds during construction and monitoring servicing, depending on financing.

SSHP Capital and Pre-development funding continue

During the 2018 calendar year covered by this report, 27 properties, with a total of 971 units received allocations from two rounds.

The charts below highlight the funding in the Capital Plan and SSHP, which is tracked on a July-June fiscal year so the totals below reflect that period versus the calendar year reporting.

Summary of Funding Activities Calendar Year 2018					updates as of 2/26/2019
"Year 7" Projects					
Property Name	Municipality	Units	Award	TDC	
Armstrong Court Phase 2 Rehab	Greenwich	42	\$5,100,000.00	\$17,799,443.00	
Brace Dale Association	West Hartford	4	\$534,800.00	\$615,008.00	
Bristol Apartments	Hartford	15	\$813,780.00	\$814,556.00	
Dublin Village	Colchester	40	\$2,378,556.00	\$2,632,855.00	
Harry Schwartz Manor	Norwich	48	\$2,156,734.00	\$2,566,589.00	
Herbert T. Clark Congregate	Glastonbury	45	\$3,013,182.00	\$3,348,624.00	
Hevrin Terrace	Willamantic	90	\$1,300,000.00	\$5,363,337.00	
Hill House Rehab	Greenwich	38	\$1,966,452.00	\$2,680,225.00	
Lawnhill Terrace 3	Stamford	52	\$5,200,000.00	\$21,856,830.00	
Pleasant Street Cooperative	Enfield	12	\$1,294,885.00	\$1,411,178.00	
Robert Hutt Congregate	Naugatuck	36	\$2,549,126.00	\$2,759,020.00	
Spencer Village and Spencer Village Extention	Manchester	80	\$2,047,610.00	\$4,736,000.00	
Tannery Brook Cooperative	Litchfield	16	\$931,800.00	\$1,125,645.00	
Veterans Terrace VT1	East Hartford	42	\$5,232,229.00	\$18,657,065.00	
Wapping Mews	South Windsor	30	\$2,086,537.00	\$3,198,076.00	
Ward Affleck	Hartford	14	\$1,296,280.00	\$1,297,005.00	
Subtotal		604	\$37,901,971	\$90,861,456	
Critical Needs					
Property Name	Town	Units	Award	TDC	
Rehoboth Place	Hartford	15	\$109,045.80	\$109,045.80	
Pompey Hollow	Ashford	32	\$29,627.00	\$29,627.00	
Castle Heights, Hoffman Heights Smith Acres	Seymour	55	\$445,930.00	\$445,930.00	
Stem Village - Congregate	Trumbull	36	\$206,933.00	\$208,995.00	
Middlebury New Horizons	Middlebury	5	\$51,372.00	\$51,372.00	
Eldridge Elderly Housing	Morris	20	\$144,254.00	\$144,254.00	
Riverside School Cooperative	Torrington	12	\$293,429.00	\$293,429.00	
South Side Terrace	Wallingford	40	\$307,934.00	\$307,934.00	
Hillside Terrace, North Branford HA	North Branford	60	\$175,144.70	\$175,144.70	
Cobbs Mill Crossing Cooperative	Glastonbury	32	\$324,453.56	\$336,993.56	
Gosinski Park	Plymouth	60	\$204,054.00	\$222,700.00	
Subtotal		367	\$2,292,177.06	\$2,325,425.06	
Total Annual Investment		971	\$40,194,148.06	\$93,186,881.06	

Partnerships and Impact of Technical Assistance Outreach

CHFA and DOH collaborate to support the deployment of a wide range of technical assistance resources to assist the properties in the SSHP. The following is a brief summary of each program and an update on overall impact.

- *Technical Assistance to Owners for Redevelopment + Technical Assistance to Limited Equity Coops for Redevelopment*
DOH has deployed two firms (Housing Development Team, LLC/Housing Coalition) to provide 27 owners with technical assistance targeted toward building capacity of owners and assisting in building a development team to prepare for funding applications.

2018 Multifamily Funding Initiatives applicable to the SSHP

- *9% Low-Income Housing Tax Credits (LIHTCs)*
Several SSHP developments applied for an allocation of 9% LIHTCs in a funding round to be awarded in Spring 2019. This is a very competitive funding resource, and SSHP applications requesting both LIHTCs and DOH capital funding will be scored in accordance with the Qualified Allocation Plan.
- *Competitive Housing Assistance for Multifamily Properties (CHAMP)*
SSHP developments must meet strict criteria in order to be eligible for CHAMP funding. A proposal must include the creation of at least 20 new residential units, and the number of newly created rental units is equal to or exceeds 20% of the existing project units.
- *Critical Needs Funding- Rolling Basis*
SSHP developments may apply for certain capital needs noted in their Capital Plan as Critical Needs.
- *Pre-development Funding- Rolling Basis*
DOH funding is available for pre-development activities such as environmental testing, architectural design, development consultant costs and feasibility costs.

CHFA Portfolio Activity – 25,305 units

CHFA Portfolio properties are financed with a combination of CHFA funds, Federal 9% and 4% (LIHTCs), State and Federal Historic Tax Credits, State Housing Tax Credit Contributions (HTCCs) and private and/or public bond funds.

- CHFA continued its ongoing portfolio management oversight, which included performance management of its portfolio of 319 developments and 25,305 apartments, which includes a Real Estate Owned (REO) property held by a subsidiary of CHFA.
- CHFA acts as the HUD Contract Administrator for 59 project-based Section 8 developments, including the review and approval of \$64 million in subsidy payments for 5,667 apartments. CHFA also subcontracts the oversight of 236 Section 8 apartments for Housing Authorities.
- CHFA works with an outside contractor to monitor Federal LIHTC compliance of approximately 19,000 units at 245 properties.

REO Property

- Eno Farms, Simsbury: The property is held by CHFA Small Properties, Inc.

Strengthening Communities through Housing & Community Development Special Programs

CHFA is committed to strengthening neighborhoods by helping to integrate housing within overall community development efforts. During 2018, CHFA continued its important collaborative investments with others active in this field and through direct program investments.

- **CHFA/CGB Energy Benchmarking Initiative** --CHFA and the Connecticut Green Bank (fka the Clean Energy Finance and Investment Authority or “CEFIA”) partnered with WegoWise, Inc., a software company that provides web-based energy benchmarking and monitoring services. Through energy benchmarking, property owners compared energy and water consumption of their buildings against similar peers. Owners were able to quickly and easily identify the biggest opportunities for improvement, which can reduce utility costs for the property and its residents, improve net operating income, and increase overall building efficiency. At the conclusion of the initiative in 2018, 212 properties (comprised of 1,215 multifamily buildings) were uploaded into the benchmark platform across Connecticut since program inception.
- **“Rural/Suburban Program” (Housing Connections)** – The Local Initiatives Support Corporation (LISC) in partnership with the Connecticut Housing Coalition administers the program known as “Housing Connections.” This program provides technical assistance to smaller towns that are interested in learning about, or developing, affordable housing. The Housing Connections program has provided technical assistance leading to the development and/or redevelopment of 577 affordable homes, representing nearly \$112 million of development activity. Additionally, the program is providing technical assistance to 29 other projects with the potential of an additional 658 units.
- **Transit-Oriented Development Capital Fund** – The Department of Economic and Community Development and CHFA invested in the creation of a \$15 million private capital fund managed by the Local Initiatives Support Corporation (LISC). This fund prioritizes the development of a mix of uses including new housing, retail, and commercial office space, near transit hubs to encourage the use of mass transit, reduce the reliance on driving, and foster denser, livable, walkable communities. As of 2018, LISC has closed five loans for a total of \$6,449,436. The first project in the fund was completed and the ribbon-cutting was held on June 21, 2018. The loan has been repaid. For other closed loans, LISC continues to monitor them while the developers are working to secure the construction and permanent financing. There are additional requests in the cities of Bridgeport and New Britain.

- **Housing Authority Small Improvement Program (HASIP)** -- The purpose of the program is to provide funds to SSHP owned developments that wish to make physical improvements to the property or provide resident activities or programming. In 2018, \$13,909 in funding was expended to 302 housing units served.

- **Community Development Financial Institutions**

CHFA invests in Community Development Financial Institutions (CDFIs) to provide technical assistance and financing to non-profit and for-profit developers, provide financing associated with community development, and assist in the coordination of comprehensive community development throughout the state. These developments, generally small in scale, are not a good fit for CHFA's multifamily development funding process, so CHFA partners with CDFIs as an alternative method to provide funds to this market segment. CHFA currently has investments in and partnerships with the Local Initiative Support Corporation (LISC), Capital for Change (C4C), the Hartford Community Loan Fund, and the Housing Development Fund (HDF). The funds invested in CDFIs between 1999 and 2018 have resulted in 143 completed transactions financing over 2,700 housing units. The Authority's cost per unit on these transactions was approximately \$12,000.

CHFA's Small Multifamily CDFI Loan Pool Program makes available \$6 million in low-cost capital for the redevelopment or rehabilitation of vacant or blighted small multifamily rental properties with less than 20 units. The Hartford Community Loan Fund, the Housing Development Fund, and Capital for Change are participants. Since its inception in 2014, participating CDFIs have utilized \$5.6 million to finance the rehabilitation of 44 properties resulting in 170 new affordable units. Due to the low-cost funds, the program has saved property owners on average \$230 per month.

Funding and Financial Statements 2018

CHFA is a self-funded quasi-public agency, which uses its resources to provide below market interest rate mortgages for single-family homeownership and multifamily rental property. Federal Tax Exempt bonds are the primary source of mortgage capital for CHFA's housing programs. CHFA maintains a credit rating of AAA with S&P Global as well as an Aaa rating with Moody's Investor Service.

**** PRELIMINARY -UNAUDITED ****

CONNECTICUT HOUSING FINANCE AUTHORITY
STATEMENT OF REVENUES, EXPENSES WITH COMPARISON TO BUDGET
TWELVE MONTHS ENDED DECEMBER 31, 2018
(in 000's)

	2018 Budget Projection	YTD December 2018 Preliminary	Variance to 2018 Budget
Operating Revenues			
Interest on mortgage loans	152,120	142,976	(9,144)
Interest on investments	55,630	62,375	6,745
Fees and other income	6,935	10,604	3,669
Total Operating Revenues	214,685	215,955	1,270
Operating Expenses			
Interest	146,700	147,288	588
Bond Issuance Costs	6,435	6,858	423
Servicer fees	10,510	12,115	1,605
Administrative	42,643	42,678	35
Provision for losses	5,000	14,801	9,801
Total Operating Expenses	211,288	223,740	12,452
Net Operating Income	3,397	(7,785)	(11,182)

Notes:

1) Does not include amounts received or expensed pursuant to CGS Sec 4-66aa (CIA), the National Foreclosure Mitigation Counseling Program (NFMC), Emergency Mortgage Assistance Program (EMAP), the Federal Comprehensive Counseling Grant, Zero-16 (End Homelessness Initiative), the Federal QECB Interest Subsidy and the State DAP 120AMI Grant.

2) The adjustment to record the fluctuation in the market value of investments is not included.